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SUPERFUND RECORDS

ANNUAL REPORT  
KANSAS EXPLORATIONS, INC.

1941

REC'D MAR 9 1942

Joplin, Missouri  
March 5, 1942

Mr. Andrew Fletcher, Vice-President,  
Kansas Explorations, Inc.,  
250 Park Avenue,  
New York City, N. Y.

Dear Sir:

I transmit herewith Annual Report of  
The Kansas Explorations, Inc., for the year,  
1941.

Respectfully submitted,

Ross Blakely

ANNUAL REPORT

OF

KANSAS EXPLORATIONS, INCORPORATED

JOPLIN, MISSOURI

1941

# C O N T E N T S

## 1941 ANNUAL REPORT

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ANNUAL REPORT  
OF  
KANSAS EXPLORATIONS, INCORPORATED  
1 9 4 1

The operations of the Kansas Explorations, Inc., for the year 1941 were continuous at the Jarrett unit from January 1, 1941 to November 10, 1941, and Ritz unit from January 1, 1941 to December 31, 1941, and at the Snapp Unit from July 12, 1941 to December 31, 1941.

The base price paid for zinc concentrates was \$48.00 per ton from January 1, 1941 to September 13, 1941, and \$48.58 per ton from September 13, 1941 to October 10, 1941, and \$55.28 from October 10, 1941 to December 31, 1941, while the base price paid for lead concentrates was \$64.54 from January 1, 1941 to February 10, 1941, and \$66.70 from February 10, 1941 to March 15, 1941, and \$69.58 from March 15, 1941 to December 31, 1941.

## LIST OF LEASES AS AT DECEMBER 31, 1941.

## -- OPERATING UNITS --

Number	Name	Acres	State	Land-Owner Royalty
<u>RITZ UNIT</u>				
921	Ritz	60	Oklahoma	12 $\frac{1}{2}$ %
<u>DARDENNE UNIT</u>				
974 $\frac{1}{2}$	Dardenne	40	Oklahoma	5%* - 7 $\frac{1}{2}$ %*

\* - 5% on Tailings and 7 $\frac{1}{2}$ % on underground ores.

SNAPP UNIT

971	Snapp	40	Missouri	0
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## -- PROPOSED UNITS --

SNAPP UNIT

974	Gunning	280	Missouri	7 $\frac{1}{2}$ %
975	Gunning	160	Missouri	7 $\frac{1}{2}$ %
976	Buckingham	107	Missouri	7 $\frac{1}{2}$ %
977	Buckingham (A.J.)	140	Missouri	7 $\frac{1}{2}$ %
978	Poundstone	80	Missouri	7 $\frac{1}{2}$ %
979	Oushman	80	Missouri	7 $\frac{1}{2}$ %
980	McReynolds	80	Missouri	7 $\frac{1}{2}$ %
981	Ragland	40	Missouri	7 $\frac{1}{2}$ %
982	Stevison	120	Missouri	7 $\frac{1}{2}$ %
Taken in 1941:				
983	Olson	40	Missouri	7 $\frac{1}{2}$ %
984	Poundstone	76 $\frac{1}{2}$	Missouri	7 $\frac{1}{2}$ %
985	Poundstone	80	Missouri	7 $\frac{1}{2}$ %
986	Kutz	100	Missouri	7 $\frac{1}{2}$ %
987	Kutz	80	Missouri	7 $\frac{1}{2}$ %
988	White	50	Missouri	7 $\frac{1}{2}$ %
989	Norton	60	Missouri	7 $\frac{1}{2}$ %
990	Whitfield	100	Missouri	7 $\frac{1}{2}$ %
991	Whitfield	120	Missouri	7 $\frac{1}{2}$ %
992	Weaver	60	Missouri	7 $\frac{1}{2}$ %
993	Buckingham	60	Missouri	7 $\frac{1}{2}$ %
994	Buckingham	100	Missouri	7 $\frac{1}{2}$ %

995	Gibson	160	Missouri	7 $\frac{1}{2}$ %
996	Gibson	152	Missouri	7 $\frac{1}{2}$ %
997	Burk	80	Missouri	7 $\frac{1}{2}$ %
998	Wolff	100	Missouri	7 $\frac{1}{2}$ %
999	McWaters	80	Missouri	7 $\frac{1}{2}$ %
1000	Boyd	72 $\frac{1}{2}$	Missouri	7 $\frac{1}{2}$ %
1001	Gibson, et al	120	Missouri	7 $\frac{1}{2}$ %
	Total Acreage -	2778		



JARRETT UNIT

## JARRETT UNIT

1 9 4 1

The known Ore Reserves which could be mined at a profit under conditions existing as at November had become exhausted and it was decided to close all operations on this tract of land and surrender the lease.

Mine No. 2 was shut down August 8, 1941. At Mine No. 4, the last ore was hoisted on June 4, 1941, but development work was carried on until October 27, 1941, at which time all equipment, including pumps, were removed, and the mine was shut down.

Mine No. 1 was closed down November 10, 1941, and all pumps and mine equipment removed.

The 30 ton per hour Concentrating Plant finished operations on mine ore November 10, 1941, but continued operating until December 1, 1941, on ore in and around the mill. From January 1, 1941 to May 16, 1941, the mill was operated five 10-hour shifts weekly; from May 16, 1941, to July 10, 1941, the mill was operated two 8-hour shifts daily, six days a week; from July 10, 1941, to November 10, 1941, the mill operated various hours per week as the mine tonnage required, being an average of approximately sixty hours a week.

The Concentrating Plant treated 74 055 rock tons during 1941. From the tonnage treated, 3 806.080 tons of zinc concen-

trates (60% Zn.) and 267.865 tons of lead concentrates (80% Pb.) were recovered. The entire rock tonnage treated during 1941 yielded a recovery of 5.14% in the form of zinc concentrates (60% Zn.) and .36% in the form of lead concentrates (80% Pb.), or a total recovery of 5.50%. During the operating period, 20 271 man shifts were employed in operations; each man shift averaging a production of 3.7 rock tons or the equivalent of .20 tons of zinc and lead concentrates. The total average operating cost was \$3.02 for each rock ton or \$55.65 for each ton of zinc and lead concentrates recovered. During the year, 1941, 3 806.080 tons of zinc concentrates and 267.865 tons of lead concentrates were sold and loaded. An average gross price per ton (2 000 pounds) of \$49.58 for zinc concentrates and \$62.13 for lead concentrates was obtained, or an average of \$50.40 per ton. The average royalty paid on zinc and lead concentrates sold and loaded at this property during 1941 was \$5.04 per ton. On December 31, 1941, at this unit, there were no zinc concentrates and no lead concentrates in bins.

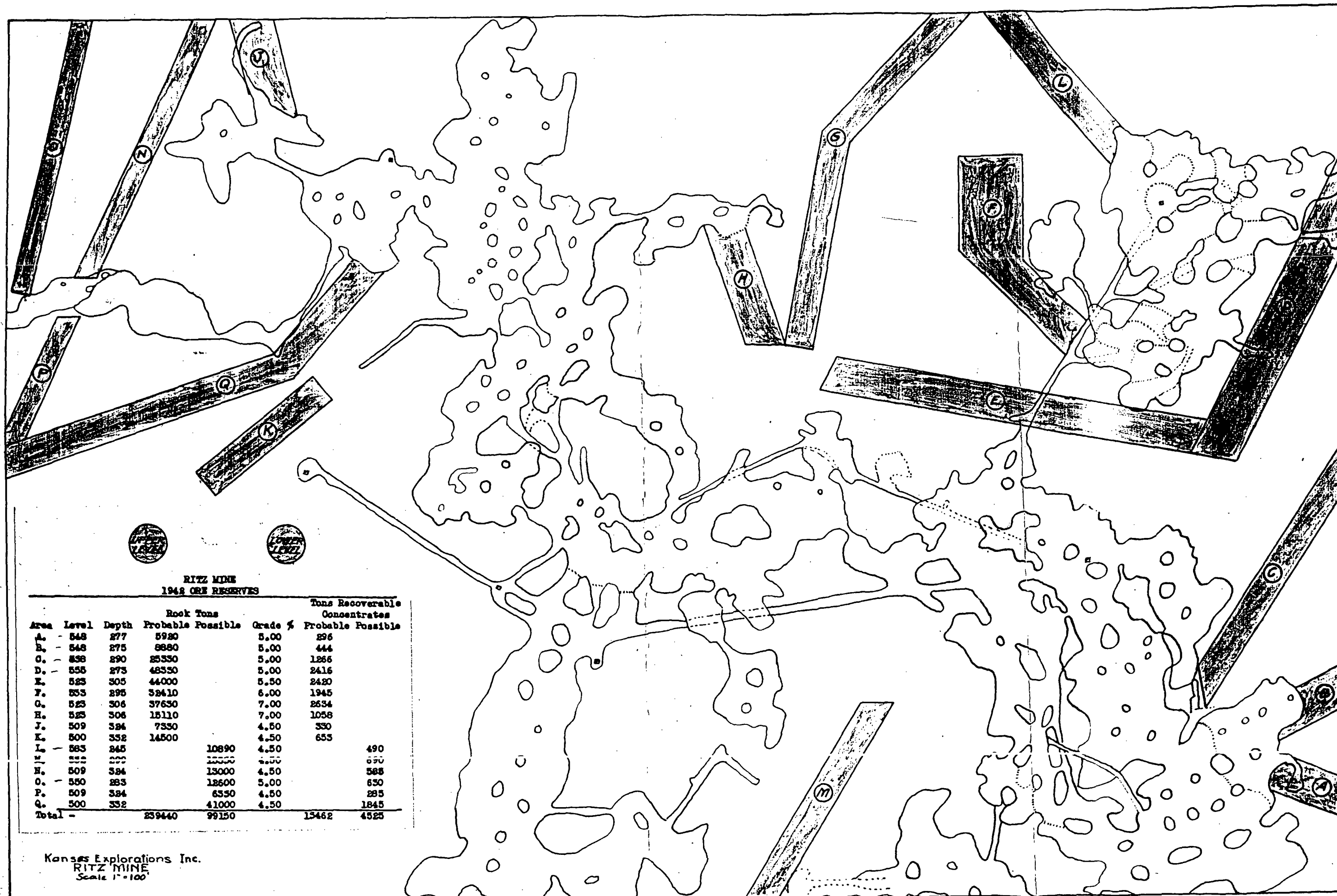
During the year 1941, \$26 770.11 was spent for churn drilling and operating development, tending toward the accumulation of ore reserves. This expenditure is approximately 35 cents per rock ton mined and \$6.57 per ton of concentrates recovered. In January, 1941, we began installing pumps for unwatering No. 1 mine, and later installed pipe lines and mine equipment, derrick and hopper, for placing this mine into production,

which was completed at a cost of \$7 423.75, and production began May 9, 1941.

There was 6 644 feet of prospect churn drilling done on this lease during the year 1941, and 1 435 feet of underground development drifting was completed in all three mines on this tract during the year.

During 1941, at the Jarrett unit, the operating expenditure for labor and liability insurance (including salaries) was \$137 160.28; for all other items other than labor, \$89 564.09; or a total of \$226 724.37. The total operating profit for the year was \$41 902.06, based on actual sales of concentrates sold and loaded during the year. Miscellaneous other income for the year was \$901.96.

RTZ UNIT



**RITZ MINE  
1942 ORE RESERVES**

Area	Level	Depth	Rock Tons		Grade %	Tons Recoverable Concentrates	
			Probable	Possible		Probable	Possible
A.	548	277	5920		5.00	296	
B.	548	275	8880		5.00	444	
C.	538	290	25330		5.00	1266	
D.	556	273	48330		5.00	2416	
E.	523	305	44000		5.50	2420	
F.	553	295	32410		6.00	1945	
G.	523	306	37630		7.00	2634	
H.	523	306	15110		7.00	1058	
J.	509	324	7330		4.50	330	
K.	500	332	14500		4.50	653	
L.	523	245		10890	4.50		490
M.	523	292		13330	4.50		590
N.	509	324		13000	4.50		585
O.	550	283		12600	5.00		630
P.	509	324		6330	4.50		285
Q.	500	332		41000	4.50		1845
Total	-		239440	99150		13462	4525

Kansas Explorations Inc.  
RITZ MINE  
Scale 1"=100'

RITZ UNIT

1 9 4 1

The Ritz unit was operated continuously throughout the year 1941.

During the operating period, the mine operated two 8-hour shifts per day, and the 30-ton per hour Concentrating Plant operated from 16 to 24 hours per day, or whatever was necessary to treat the mine production of ore. All ore treated was mined underground and was hoisted at the mill shaft; ore being delivered to the shaft in the mine by a three and one-half ton storage battery locomotive and a rope haulage system.

----- oOo -----

At the Ritz unit, during 1941, a total rock tonnage of 136 347 tons was hoisted, and a total of 135 763 tons of mine rock was treated in the Concentrating Plant. From the tonnage treated, 7 335.715 tons of zinc concentrates (60% Zn.), and 497.495 tons of lead concentrates (80% Pb.) were recovered. The entire tonnage of rock treated during 1941 yielded a recovery of 5.40% in the form of zinc concentrates (60% Zn.) and .37% in the form of lead concentrates (80% Pb.), or a total recovery of 5.77%. During the operating period, 26 714 man shifts were employed in operations; each man shift averaging a production of 5.1 rock tons or the equivalent of .29 tons of zinc and lead concentrates. The total average operating cost was \$2.15 for each ton of rock or \$37.51 for each

ton of zinc and lead concentrates recovered.

On December 31, 1940, the Ritz unit had no concentrates in bins. On December 31, 1941, the Ritz unit had no concentrates in bins. During the year 1941, 7 335.715 tons of zinc concentrates and 497.495 tons of lead concentrates were sold and loaded. An average gross price per ton (2 000 pounds) of \$51.15 for zinc concentrates and \$54.88 for lead concentrates was obtained, or an average of \$51.38 per ton. The average royalty paid on zinc and lead concentrates sold and loaded was \$6.42 per ton.

During the year, \$13 500.51 was spent for operating development and churn drilling. This was an expenditure of 10 cents for each ton of rock mined and \$1.72 for each ton of concentrates recovered. 2 924 feet of churn drilling and 360 feet of underground development was completed during the year. At the beginning of the year, the probable ore reserve was 21 500 tons of zinc and lead concentrates. At the close of the year, the probable ore reserve was 17 987 tons of zinc and lead concentrates. During the year, 7 833.210 tons of zinc and lead concentrates were produced.

During 1941, at the Ritz unit, the operating expenditure for labor and liability insurance was \$180 339.11; for all items other than labor was \$113 496.46; or a total of \$293 835.57. The total operating mine profit for the year 1941, at the Ritz unit, was \$38 382.56, based on actual sales of concentrates sold and loaded during the year. Miscellaneous other income for the year was \$876.99.



RITZ      UNIT  
RECOMMENDATIONS FOR 1942

It is recommended that development work by drifting and churn drilling be continued in an endeavor to increase our ore reserves.

**SNAPP UNIT**

## SNAPP UNIT

1 9 4 1

During the early part of the year it was decided to begin shaft sinking operations at two shafts on the Snapp; to insure early capacity production of the mill, and, also, began to erect a mill that had a capacity of at least 600 tons per 24 hours.

At Mine No. 1, shaft sinking operations began in the early part of February, 1941, and were completed about July 15th, 1941.

At Mine No. 2, shaft sinking operations started in the latter part of March and were completed in May, 1941. Considerable mine development by drifting was done before mine operations were started. The erection of the mill was started in February and completed July 1st, 1941. It was necessary to have the timbers shipped from Oregon.

At the Snapp unit, during 1941, a total rock tonnage of 77 429 tons were hoisted and 77 720 tons of mine rock were treated in the concentrating plant. This tonnage treated included 484 tons of rock stored at a surface dump which had been produced from development work at the No. 2 mine.

From the tonnage treated, 3 607.090 tons of zinc concentrates (60% Zn.) and 59.890 tons of lead concentrates (80% Pb.) were recovered. The entire rock tonnage treated during 1941 yielded a recovery of 4.64% in zinc concentrates (60% Zn.) and .08% in lead concentrates (80% Pb.) or a total recovery of 4.72%.

During the operating period 10 996 man shifts were employed, each man shift averaging a production of 7.0 rock tons, or the equivalent of .33 tons of zinc and lead concentrates. The total average operating cost was \$1.67 for each ton of rock, or \$35.44 for each ton of zinc concentrates recovered. In addition to the above cost, the indirect costs, taxes, etc. that had accumulated from January 1st, 1941 to July 31st, 1941, in the amount of \$6 574.39 and all churn drilling expense from August 1st, 1941 to December 31st, 1941, on leases other than the Snapp lease, but in the Snapp area, amounting to \$5 650.25 was charged to operations for the year 1941. These items amounted to \$12 224.64, which was a cost of 15 cents for each ton of rock mined, or \$3.34 for each ton of zinc and lead concentrates recovered.

On December 31st, 1941, the Snapp unit had no concentrates in bins. During the year 1941, 3 607.090 tons of zinc concentrates and 59.890 tons of lead concentrates were sold and shipped. An average gross price per ton (2 000 pounds) of \$51.86 for zinc concentrates and \$57.11 for lead concentrates was obtained, or an average of \$51.94 per ton.

During the period of operations from July to Dec--

ember 31st, 1941, \$5 421.84 was spent for development and churn drilling on the Snapp lease. This was an expenditure of 7 cents for each ton of rock mined and \$1.48 for each ton of concentrates produced. The above expenditure was in addition to \$5 650.25 spent for exploration work on leases in the Snapp area. During the year 1941, 3 676 feet of churn drilling and 595 feet of underground development was completed. At the beginning of the year, the probable ore reserve in the Snapp area was 24 800 tons of zinc and lead concentrates. At the close of the year, the probable ore reserve was 82 200 tons. During the year, 3 666.980 tons of zinc and lead concentrates were produced.

During the year 1941, at the Snapp unit, the operating expenditure for labor and liability insurance was \$76 333.99; for all items other than labor and liability insurance was \$65 869.24, or a total of \$142 203.23. The total operating mine profit for the year 1941 was \$60 526.74. The indirect costs, taxes, etc. from January 1st, 1941 to July 31st, 1941, amounting to \$6 574.39, and the exploration expense in the area surrounding the Snapp lease, amounting to \$5 650.25 was charged to operations, and, when deducted from the mine profit of \$60 526.74, left a net operating profit of \$48 302.10. Miscellaneous other income for the year 1941 was \$258.25.

**SNAPP UNIT****1 9 4 1****RECOMMENDATIONS FOR 1942**

It is recommended that extensive drilling on leases held in this and the Buckingham area, be done to develop additional ore reserves.

DARDEEN UNIT

## DARDENNE UNIT

1941

The Beck Mining and Royalty Company, who has a sub-lease on this 40 acre tract, operated very little during the year and consisted of work done mostly by gougers. As the amount of the income was \$699.75 and the cost of holding the lease is less than \$50.00 per year, it is planned to not surrender the lease at this time.

The ore produced from this tract was milled over the Beck mill, located on an adjoining tract.

The mine suspension expense for the year 1941 was \$39.84.

From the mine rock produced, 180.01 tons of zinc concentrates and 4.345 tons of lead concentrates were produced, from the sale of which, this company (Kansas Explorations, Inc.) received \$699.75 as royalty. There were no operations on this tract during the first six months of 1941.

The Kansas Explorations, Inc. owns the life interest of Abram Dardenne in this tract.



**EMPLOYER'S**

**LIABILITY**

## EMPLOYER'S LIABILITY

1 9 4 1

During the year 1941, the Kansas Explorations, Inc. carried their own liability Insurance. A total of 48 lost time accidents occurred during the year, making a total of 2 004 shifts lost, averaging 41.7 shifts lost per accident, and 31.07 shifts lost per 1 000 men shifts worked. There was \$34 725.15 credited to the Reserve account during the year. The cost of all 1941 accidents was \$11 944.03 plus \$5 500.00 estimated liability on 1941 cases unsettled as at December 31st, 1941, which indicated a profit of \$17 281.12 under Self-Insurance coverage for the year. The estimated liability of one unsettled case which occurred in 1929, one unsettled case which occurred in 1940, is \$1 300.00. The Reserve account for December 31st, 1941, showed a credit balance of \$60 311.74.

**LEGAL**

## LAW SUITS

1941

During the year the law suit of David A. Johnson against the Kansas Explorations, Inc. was heard before a Federal Judge at Ft. Scott, Kansas, and before the trial was completed the Judge asked the attorneys for Johnson to withdraw the suit or he would have to throw the suit out of his court. The suit was withdrawn without cost to this Company, with the exception of Witness and Attorney fees, which amounted to \$1 609.86.

## GENERAL EXPENDITURES

1941

	<u>Amount</u>	<u>% Total</u>
Lease Rentals	\$ 2 858.00	.32
Lease Acquisition	621.99	.07
Snapp Area (Capital Expenditures)	<u>154 620.81</u>	<u>17.25</u>
Total Lease Expense	\$158 100.80	17.64
Prepaid Royalties	\$ 413.00	.05
Mine Suspension Expense	39.84	0
Salvage Expense	4 524.99	.51
Mining and Milling Costs	660 725.97	73.72
Royalties on Sales of Concentrates	70 842.69	7.90
Legal Expense (Johnson Lawsuit)	<u>1 609.86</u>	<u>.18</u>
GRAND TOTAL	\$896 257.15	100.00

At the close of the year 1941, Accounts Receivable were  
as follows:

Customers Accounts Receivable:		
American Zinc, Lead and Smelting Co.	\$20 909.77	
Ozark Smelting and Mining Co.	10 732.96	
Total -		\$31 642.73
Other Accounts Receivable:		
Beck Mining and Royalty Co.	78.39	
United Iron and Metal Co.	748.50	
Henry E. Hoffman	.34	
Total -		827.23
Total Accounts Receivable -		\$32 469.96

At the close of the year 1941, Current Liabilities were  
as follows:

Vouchers Payable	\$22 140.93
Unpresented Treasury Drafts	2 511.37
Unpresented Salary Drafts	2 826.65
Unpresented Payroll Drafts	15 198.60
State Compensating Tax	53.31
Accrued Taxes	301.96
Accrued Unemployment Insurance Taxes	4 362.34
Accrued and Collected Old Age Benefit Taxes	2 303.12
Unclaimed Wages	320.63
Total Current Liabilities -	49 818.91

Income for the year 1941, other than from concentrate sales,  
consisted of the following:

Income from Royalties - Dardenne	\$ 699.75
Discount on Purchases - Jarrett	373.50
Discount on Purchases - Ritz	555.38
Discount on Purchases - Snapp	1 130.05
Miscellaneous Other Income	534.65
Miscellaneous Other Income - Jarrett	528.46
Miscellaneous Other Income - Robinson	236.32
Miscellaneous Other Income - Ritz	321.61
Miscellaneous Other Income - Snapp	8.75
Total Other Income -	\$ 4 388.47